

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 949**

April 9, 2021

**SUMMARY OF BILL:** Requires the Comptroller of the Treasury (COT) to develop a numerical grading system of all active tax increment financing (TIF) plans and post the grade of each active TIF plan on its website annually. Requires the numerical grading system of the TIF plans to be based on the benefits each municipality is receiving and the cost to the taxpayers.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures- \$82,500/FY21-22 and Subsequent Years**

Assumptions:

- According to the COT, there are 44 active TIF plans that will need to be studied in order to develop an objective grading system based on the cost to taxpayers and the benefits to the cities.
- Based on information provided by the COT, the proposed legislation cannot be accommodated within existing resources. The COT will require one full-time financial analyst to study each TIF plan and to develop the TIF grading system.
- The recurring increase in state expenditures associated with the position is estimated to be \$82,543 (\$65,000 salary + \$17,543 benefits) in FY21-22 and subsequent years.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

/lm